

# The Effect of Consumer Intrinsic Factors on Impulsive Buying Behavior in Online Marketplace: Case Study of Shopee Consumers

Emilleo B. Erlangga<sup>1\*</sup>, Satria F. Persada<sup>2</sup>, Bahalwan Apriyansyah<sup>3</sup>, Shu C. Lin<sup>4</sup>.

<sup>1</sup> Department of Business Management, Institute of Technology Sepuluh Nopember, Surabaya 60111, Indonesia

<sup>2</sup> Department of Business Management, Institute of Technology Sepuluh Nopember, Surabaya 60111, Indonesia; [satriaafadil@mb.its.ac.id](mailto:satriaafadil@mb.its.ac.id)

<sup>3</sup> Department of Business Management, Institute of Technology Sepuluh Nopember, Surabaya 60111, Indonesia; [bahalwan@its.ac.id](mailto:bahalwan@its.ac.id)

<sup>4</sup> Vice president of Texas Health and Science University, Austin, United States; [sclin@thsu.edu](mailto:sclin@thsu.edu)

\*Corresponding author. Email: [emilleo.17091@mhs.its.ac.id](mailto:emilleo.17091@mhs.its.ac.id)

## ABSTRACT

With the fast expansion of online purchasing, particularly in the online marketplace, a better knowledge of impulsive online purchases is becoming increasingly crucial. Using Shopee customers as a case study, this study examines the impact of elements in an intrinsic factor, such as personality traits, shopping enjoyment tendency, cultural traits, materialism, and impulsive buying tendency, on impulsive buying behavior in online marketplaces. The data processing and analysis methodologies in this study used PLS-SEM method. The online questionnaire was utilized to collect data from 273 consumers aged 18 and above who had or are presently using the Shopee online marketplace. A convenience sample approach was used to collect the sampling data. According to the findings of the PLS-SEM analysis, five of the ten hypotheses examined were accepted and had a significant influence on the variables. The intrinsic variables of consumer personality trait neuroticism, personality trait conscientiousness, shopping enjoyment tendency, materialism, and impulsive buying tendency all have a substantial impact on impulsive buying behavior. In addition, the findings include 5 hypotheses that were rejected. This research has managerial implications, including numerous activities for online marketplace marketing to define the target market and stimulate impulsive purchase behavior in customers based on their intrinsic factors.

**Keywords:** Intrinsic Factors, Impulsive buying, Consumers, Online marketplace.

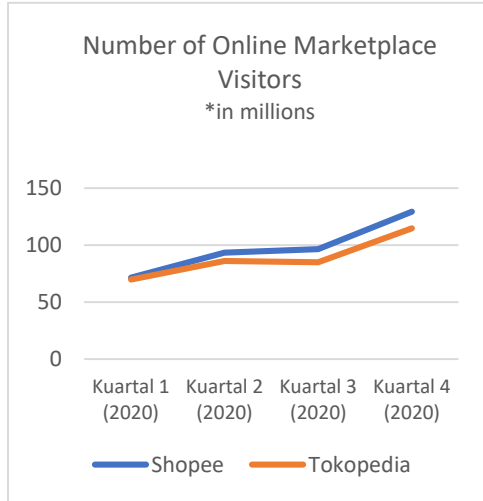
## 1. INTRODUCTION

### 1.1. Research Background

Impulsive buying is a phenomenon that does not only occur in Indonesia but also in other countries. However, impulse buying in Indonesia tends to be greater than in Southeast Asian countries [1]. Purchasing behavior in countries such as India, where the availability of modern markets is still minimal, shoppers are more diligent in making their shopping lists, with the average index reaching 28 percent. When compared with Indonesia, the index is only 15% [2]. Research conducted by Mastercard revealed that in Indonesia, half of the millennial generation (50%) is the most impulsive costumers in the Asia Pacific, where at least half of purchases of goods are made spontaneously, above the regional average of 26 percent [3].

Impulsive buying behavior can provide benefits to producers because it will increase the number of product sales. Impulsive buying can be put to good use by producers if they know the contributing factors and adjust effective strategies to stimulate their target market. Several companies prioritize impulsive buying in their strategy of selling their products to the intended target market, so impulsive buying has a substantial effect on producers [4]. 30–50 percent of all purchases are classified as impulse purchases. In this regard, it is important to investigate the elements that impact impulsive purchasing behavior, especially the intrinsic factors that come from within the individual consumer. In addition, the ease of access to shopping with the development of shopping media especially on the online marketplace has also become a medium for increasing consumer impulsive buying [5].

The development of online marketplaces in Indonesia always increases every year. Indonesian consumers have a relatively large online marketplace development [6]. Of the total website users, Shopee is the most popular online marketplace in Indonesia [7].



**Figure 1** Number of Online Marketplace Visitors in 2020 [7].

Shopee is the most popular online marketplace website in Indonesia, with 129 million monthly visitors [7]. With the escalating relevance of online shopping in Indonesia, a better comprehension of impulse purchases in online marketplaces is becoming increasingly important [8].

Intrinsic consumer traits are relatively permanent patterns of traits and have unique characteristics that consistently influence individual behavior [9]. One of the intrinsic characteristics of consumers is the big five personalities, consisting of five traits: openness, conscientiousness, extraversion, agreeableness, and neuroticism. This impulsive buying research is fundamental because the impulsive buying behavior that emerges will help producers determine and maximize the stimulus for their target market and provide valuable insights into the behavior of Indonesian consumers in the online marketplace sector. So, this study will examine how the influence of the intrinsic factors of personality traits, cultural traits, shopping enjoyment tendency, materialism, and impulsive buying tendency in the context of online marketplace consumers in Indonesia.

## 2. LITERATURE REVIEW

### 2.1. Impulsive Buying Behavior

Impulsive buying behavior is a purchase decision carried out without prior planning and is carried out spontaneously and suddenly at the time of purchase [10]. Impulse buying is behavior that is may based on someone's intrinsic that occurs as a result of an interest in a product. This consumer intrinsic is involved and achieved quickly and without hesitation, because there is a demand for meeting needs quickly. In other words, a seller must do everything possible to find the consumer's emotions that influence the consumer's decision to buy. In addition, consumers engage in impulsive shopping due to spontaneous behavior, whether viewed from an unplanned perspective, as a result of attractive offers, or as a result of actions triggered by other factors.

### 2.2. Personality Traits

Personality is a trait that affects how people behave and react to their surroundings, both socially and physically. Personality is also defined as structured and relatively long-lasting psychological qualities and systems within an individual. This is because personality is consistent and does not change. Marketers should be careful in knowing which personality characteristics affect the specification of consumer responses. They can try to attract relevant traits attached to their target customer groups [11]. Concerning impulsive buying, it is essential to understand the construct of personality. In particular, trait-based approaches have increased due to the focus on quantitative measures of personality referred to as the Big Five Personality [12].

#### 2.2.1. Neuroticism

The first personality trait is emotional instability, also known as neuroticism. Neuroticism is the nature of an individual/consumer in his tendency to have emotional instability. Consumers with a high score on this criterion are susceptible to experiencing sadness and vulnerability to emotional ups and downs. In contrast, consumers with a low score on this emotional instability are more likely to be emotionally controlled, less prone to stress, and relaxed [9]. In this regard, people who have high traits in this variable lack self-control or emotional control so that they can not reduce impulse buying control when shopping; this is also because impulsive buying is correlated with the emotional nature of consumers. In this regard, it is hypothesized as follows:

**H1a:** Personality trait neuroticism positively affects consumers' impulsive buying behavior when shopping online in the online marketplace.

### 2.2.2. Agreeableness

The second personality trait is agreeableness. Agreeableness is an interpersonal trait possessed by a consumer. Consumers with a high score on this criterion have good protagonist interpersonal traits, they have the drive always to maintain positive relationships to be considerate, compassionate, polite, and cooperative. Meanwhile, consumers with low agreeableness have the opposite behavior. People with high agreeableness are more likely to restrain their impulsive nature in purchasing because they can consider the consequences after an impulsive purchase is made [13]. In this regard, it is hypothesized as follows:

**H1b:** Personality trait agreeableness has a negative effect on consumers' impulsive buying behavior when shopping online in the online marketplace.

### 2.2.3. Extraversion

The third personality trait is extraversion. Consumers with high extraversion traits are energetic and enthusiastic in social relationships [14]. Extraverted individuals need external stimuli to achieve optimal performance levels. In this case, extroverts tend to like exciting and new activities to do, so the possibility to do impulsive buying is higher than others [13]. In this regard, it is hypothesized as follows:

**H1c:** Personality trait extraversion positively affects consumers' impulsive buying behavior when shopping online in the online marketplace.

### 2.2.4. Conscientiousness

Conscientiousness is the fourth personality trait. Conscientiousness is the nature of a consumer in self-discipline. Consumers with high conscientiousness traits show high self-control traits; their behavior is that they plan, organize, and prioritize tasks. Conscientiousness is defined as a socially dictated impulse control that allows for a task and goal-directed conduct such as thinking before acting, postponing gratification according to norms and standards, planning, organizing, and prioritizing activities [15]. So that in making their purchases, they are thorough, careful, vigilant, and struggle. These people meticulously organize their shopping and are less prone to purchase unnecessary goods because they have competence, order, and obedience traits. In this regard, it is hypothesized as follows:

**H1d:** Personality trait conscientiousness has a negative effect on consumers' impulsive buying behavior when shopping online in the online marketplace

### 2.2.5. Openness

The fifth personality trait is openness to experience. Openness is defined as the nature of openness to experience. Consumers who have high openness are imaginative, open to new experiences, open to the views and opinions of others [15]. People with high openness personality characteristics are interested in new experiences and goods, and they can embrace new items faster than others who are less open to them. [16]. Based on this explanation, the writer formulates a hypothesis in the form of:

**H1e:** Personality trait openness positively affects consumers' impulsive buying behavior when shopping online in the online marketplace.

## 2.3. Cultural Traits

The aspects of culture include individualism and collectivism. Culture is a type of consumer thinking based on a group's habits that separates it from other groups and shapes consumer behavior, attitudes, and preferences [17].

### 2.3.1. Collectivism

The first cultural trait is Collectivism. The nature of this Collectivism is the nature of consumers as part of a group. Consumers with a high collectivism trait are defined as individuals who depend on groups and prioritize group interests over personal interests. Based on theory, higher Collectivism was correlated with increased purchases [18]. Based on the explanation above, the authors formulate the hypotheses as follows:

**H2a:** Cultural trait collectivism has a positive effect on impulsive buying behavior when shopping online in the online marketplace

### 2.3.2. Individualism

The second characteristic of culture is individualism. Individualism describes a culture in which people prefer autonomous emotional interactions and place a higher value on personal objectives than communal ones [17]. Because individualists are not easily influenced by their peers or friends, they usually have better control over their impulse buying behavior. [18]. Individualists buy more than collectivists [19]. Consumers in individualist societies are more concerned with their social wants and preferences, thus they are more inclined to disregard the negative repercussions of impulsive purchasing and

indulge in it. [20]. In this regard, it is hypothesized as follows:

**H2b:** Cultural trait individualism has a positive effect on impulsive buying behavior when shopping in the online marketplace

**2.4. Shopping Enjoyment Tendency**

Shopping enjoyment tendency is defined as the pleasure received throughout the buying process. For some shopping occasions, someone with a high tendency of shopping enjoyment tends to look around longer and enjoy it more. Based on the explanation above, the authors formulate the hypotheses as follows:

**H3:** Shopping enjoyment tendency has a positive effect on consumers' impulsive buying behavior when shopping in the online marketplace

**2.5. Materialism**

Materialism is defined as consumers' attachment to material goals, their desire to acquire more material, worldly goods to reach the desired state, and their conviction that accumulating material possessions is the major purpose of life and the path to pleasure. This implies that when materialists come across things or services that they believe would impress them or help them acquire status, they generally succumb to the urge to buy [21]. In this regard, it is hypothesized as follows:

**H4:** Materialism has a positive effect on consumers' impulsive buying behavior when shopping in the online marketplace

**2.6. Impulsive Buying Tendency**

Impulsive buying tendency is defined as a consumer's urge to buy spontaneously and immediately [22]. A person with a high impulsive buying tendency is more likely to experience multiple impulses to have impulsive buying behavior and act more frequently on this impulsive buying behavior [23]. Consumers who have a high impulsive buying tendency have less purchasing control than customers who have a low impulsive buying tendency to have the behavior to buy impulsively. As a result, people who have an excess of impulsive buying tendencies may have more impulsive buying behavior.

**H5:** Impulsive buying tendency has a positive effect on consumers' impulsive buying behavior when shopping in online marketplaces

Combining all the above, this study reflects the previous study in the following model:



Figure 2 Research Model

**3. METHODOLOGY**

**3.1. Sampling and Population Technique**

This study is quantitative research, and the design of this study is a conclusive descriptive-multiple cross-sectional, then the sampling technique used is convenience sampling, with the ideal number of respondents based on the number of variable indicator items in this study [24]. The respondents are online marketplace Shopee users, use the Shopee online marketplace at least once since February 2021, are 18-64 years old, and are domiciled in Indonesia.

**3.2. Questionnaire and Item Development**

This study uses a self-administered questionnaire with four parts: demographic (gender, age, employment, and province of residence), psychography (income in a month, expenses in an online marketplace in a month), and usage (budget for online shopping, frequency of online shopping in a month, quantity of products/services purchased in one purchase, duration of shopping), and the main question part (shopping enjoyment tendency, impulsive buying tendency, personality traits, materialism, cultural traits, impulsive buying behavior).

### 3.3. Instrument of The Study

This study's 11 variables are as follows: Two indicators were used to assess the first five personality traits, which were neuroticism, agreeableness, extraversion, conscientiousness, and openness [25]. Two questions were asked for each of the collectivism and individualism variables, and four questions were asked for shopping enjoyment tendencies. Then four items for the impulsive buying tendency variable, and finally four questions for the impulsive buying behavior variable adjusted from Badgaiyan, (2014) [26]. The materialism variable was asked by three items adjusted from Joung (2013) [27].

### 4. DATA COLLECTION AND ANALYSIS

The study had 273 respondents from the online survey conducted from May 20 to June 2021. Female consumers (65%) and students (54%) dominated the responses to this survey. This study was also dominated by respondents aged 18-27 years (78%), domiciled in East Java (38%). In psychographic analysis, most shoppers have incomes under IDR 2.5 million, with 63% and a proportion of 18% of respondents with incomes ranging from IDR 2.5 million to IDR 5 million. Then the data obtained on the average online shopping shopper per month is under IDR 500,000, with a proportion of 77% of the total respondents filling in. In usage analysis, shoppers are dominated by those who spend between IDR 100,000 and IDR 500,000 in one online shopping. The majority of respondents have a shopping intensity of 2-3 times a month. Furthermore, the average respondent spends time in one shopping on average for 15-45 minutes. Every time they shop on the online marketplace, the respondent's purchases are 1 to 4 goods/services.

**Table 1.** Internal Consistency and Convergent Validity

| Latent Variables            | Indicator | Outer Loading | Average Variance Extracted | Cronbach Alpha | Composite Reliability (CR) |
|-----------------------------|-----------|---------------|----------------------------|----------------|----------------------------|
| <i>Cut-off Value</i>        |           |               |                            |                |                            |
|                             |           | ≥ 0,7         | ≥ 0,5                      | ≥ 0,6          | ≥ 0,7                      |
| Shopping Enjoyment Tendency | SE1       | 0.780         | 0.700                      | 0.856          | 0.903                      |
|                             | SE2       | 0.810         |                            |                |                            |
|                             | SE3       | 0.876         |                            |                |                            |
|                             | SE4       | 0.877         |                            |                |                            |
| Materialism                 | M1        | 0.681         | 0.608                      | 0.679          | 0.822                      |
|                             | M2        | 0.837         |                            |                |                            |

|                           |      |       |       |       |       |
|---------------------------|------|-------|-------|-------|-------|
|                           | M3   | 0.813 |       |       |       |
| Impulsive Buying Tendency | IBT1 | 0.725 | 0.602 | 0.779 | 0.858 |
|                           | IBT2 | 0.776 |       |       |       |
|                           | IBT3 | 0.816 |       |       |       |
|                           | IBT4 | 0.783 |       |       |       |
| Impulsive Buying Behavior | IBB1 | 0.853 | 0.700 | 0.893 | 0.921 |
|                           | IBB2 | 0.867 |       |       |       |
|                           | IBB3 | 0.832 |       |       |       |
|                           | IBB4 | 0.845 |       |       |       |
| Neuroticism               | NE1  | 0.726 | 0.567 | 0.663 | 0.793 |
|                           | NE2  | 0.620 |       |       |       |
|                           | NE3  | 0.888 |       |       |       |
| Agreeableness             | A1   | 0.861 | 0.785 | 0.728 | 0.879 |
|                           | A2   | 0.910 |       |       |       |
| Extraversion              | E1   | 0.927 | 0.691 | 0.582 | 0.815 |
|                           | E2   | 0.723 |       |       |       |
| Conscientiousness         | C1   | 0.889 | 0.839 | 0.813 | 0.912 |
|                           | C2   | 0.943 |       |       |       |
| Openness                  | O1   | 0.866 | 0.774 | 0.709 | 0.873 |
|                           | O2   | 0.893 |       |       |       |
| Collectivism              | CO1  | 0.831 | 0.756 | 0.683 | 0.861 |
|                           | CO2  | 0.906 |       |       |       |
| Individualism             | I1   | 0.737 | 0.735 | 0.691 | 0.845 |
|                           | I2   | 0.963 |       |       |       |

### 4.1. PLS-SEM Analysis

This study answers the research objectives and hypotheses using the Partial Least Squares – Structural Equation Modeling (PLS-SEM) method with software SmartPLS. Furthermore, using two measurements, namely the measurement model and the structural model.

#### 4.1.1. Measurement Model

According to convergent validity, all construct surpasses the value of 0,5 on Average Variance Extracted (AVE), which indicates 50% of the variance of the assigned indicator. All indicator surpasses cut-off 0,6 value of Cronbach alpha [29]. The composite reliability surpasses the value of 0,7 as the cut-off value for reliability [29].

**4.1.2. Structural Model**

The structural model (inner model) in this study uses R Square. The R2 value of the impulsive buying behavior variable is 70 percent, it can be concluded that the endogenous variable in this study is strong [29]. Standardized Root Mean Square (SRMR) has a substantial model fit because the value is 0.064 so that the value meets the cut-off value. [30].

The significance of a relationship between variables occurs when the t-statistics value of each indicator  $\geq 1.96$  [29]. In addition to looking at the value of t-statistics, it can also be seen from the value of p-values. If the p-values  $< 0.05$ , it means that the relationship between variables has an effect. If p-values  $\geq 0.05$ , that the relationship between variables has no effect [29].

The table below summarises PLS-Structural Equation Modelling Analysis

**Table 2.** Summary of Hypotheses Testing

| Hypotheses | Relation  | Path Coefficients | T-Statistics | P-Values | Conclusions |
|------------|-----------|-------------------|--------------|----------|-------------|
| H1a        | NE -> IBB | 0.165             | 4.35         | 0.000    | Accepted    |
| H1b        | A -> IBB  | 0.007             | 0.20         | 0.836    | Rejected    |
| H1c        | E -> IBB  | 0.071             | 1.70         | 0.088    | Rejected    |
| H1d        | C -> IBB  | -0.090            | 2.08         | 0.038    | Accepted    |
| H1e        | O-> IBB   | -0.062            | 1.62         | 0.105    | Rejected    |
| H2a        | CO -> IBB | -0.101            | 2.28         | 0.023    | Rejected    |

**Table 3.** Summary Hypotheses Testing (Continuation)

| Hypotheses | Relation   | Path Coefficients | T-Statistics | P-Value | Conclusions |
|------------|------------|-------------------|--------------|---------|-------------|
| H2b        | I -> IBB   | -0.055            | 1.42         | 0.154   | Rejected    |
| H3         | SE -> IBB  | 0.176             | 3.95         | 0.000   | Accepted    |
| H4         | M -> IBB   | 0.138             | 3.08         | 0.002   | Accepted    |
| H5         | IBT -> IBB | 0.630             | 14.60        | 0.000   | Accepted    |

Notes: *t-values*  $> 1.96$ ; *p-values*  $< 0.05$

There are ten hypotheses in this study. The accepted hypotheses are H1a, H1d, H3, H4, and H5, whereas H1b, H1c, H1e, H2a, and H2b are rejected. The results are summarized in Table 2. The first hypothesis is the consumer's intrinsic factor called personality traits. The results of the hypothesis test of personality traits variables on impulsive buying behavior are

partially accepted. Personality trait variables that were found to have a significant positive relationship with impulsive buying behavior were neuroticism (beta=0.165, p=0.000) and conscientiousness (beta=-0.090, p=0.038), while the other three personality trait variables were openness to experience (p=0.105), agreeableness (p=0.836), and extraversion (p=0.088) do not affect impulsive buying behavior. Furthermore, for the cultural traits variable which has collectivism and individualism variables, the results show that the collectivism variable has a negative relationship with impulsive buying behavior (beta=-0.101, p=0.023), and individualism does not have a significant relationship with impulsive buying behavior.

The results of the hypothesis of other consumer intrinsic variables, namely the shopping enjoyment tendency(beta=0.176,p=0.000),materialism (beta=0.138, p=0.002), and impulsive buying tendency (beta=0.630, p=0.000), showed a significant positive effect on impulse buying behavior.

**5. DISCUSSION AND CONCLUSION**

*5.1. Discussion of the Result and Managerial Implications*

Based on the analysis results, **H1a** personality trait neuroticism significantly positively affects impulsive buying behavior. This shows that the higher the neuroticism of the respondents, the higher the impulsive buying behavior of consumers. Thus, consumers with high neuroticism characteristics are more likely to experience psychological distress, easily feel unpleasant emotions, have less realistic ideas, want things excessively, and are emotionally unstable, all of which encourage them to buy impulsively to feel better emotionally. This trait of neuroticism encourages people to make spontaneous purchases when shopping in online marketplaces. This can be caused because when making a purchase, the affective aspect appears, namely a strong desire to buy something to relieve negative emotions, and the cognitive aspect becomes less concerned with the consequences or goals in purchasing to buy goods quickly so they can feel positive emotions. Based on this finding, marketing parties of Shopee online marketplace can target consumers' impulsive buying to people who have high trait neuroticism. Shopee's user interface should be so refreshing and entertaining so the people with high levels of neuroticism can increase their convenience in shopping in order to reduce their stress. Shopee's online marketplace marketing parties should look for specific indications to identify people with high trait neuroticism to encourage their impulsive buying behavior. Sellers in

the Shopee online marketplace can sell goods with a "sold in limited quantity" strategy creating a stronger desire to buy immediately when they see the product.

Then on hypothesis **H1d** the conscientiousness variable has a positive effect on impulsive buying behavior. This finding indicates that the lower the conscientiousness level of the respondent, the higher the respondent's impulsive buying behavior. Consumers with a high level of conscientiousness will be more likely to make effective and efficient plans and be more careful in thinking more before acting so that when they make a purchase, they are less rushed, calmer, and have a better understanding of the consequences of their actions purchase to be made. This causes a decrease in impulsive buying behavior in people who have high conscientiousness. Based on these findings, Shopee online marketplace is advised not to target impulse purchases to people with high conscientiousness because the higher a person's conscientiousness behavior, the lower the level of impulsive consumer buying. Sellers in the online marketplace can use a 'limited time offer' strategy, which incorporates the urgency principle and the loss aversion principle, which implies that people buy now not to lose out later to reduce self-control to make impulse purchases. Shopee may provide conditions to sellers that in selling products, detailed information regarding the contents, functions, and benefits of product packaging, booklets, and store social media must be provided to improve consumers' spontaneous and impulsive buying decisions.

In the results of the **H3** analysis, shopping enjoyment tendency influences impulsive buying behavior. This shows that people who score high on the shopping enjoyment tendency variable spend more time shopping, so they tend to look at online marketplaces longer and encourage impulsive shopping behavior. Based on these findings, Shopee's online marketplace must maintain the quality of their online shopping and build trust with brands through educational and valuable content such as creating articles about sales or products and how Shopee is positioning and playing a role in these trends.

The results of the **H4** analysis showed significant positive results on the relationship between materialism and impulsive buying behavior. From these results, it can be concluded that consumers with high materialistic nature make purchasing decisions about products or services that they think will impress them or gain status to encourage them to make impulse buying behavior. The managerial implication is that Shopee's online marketplace can use a discount price strategy to stimulate impulse buying behavior. Shopee's online marketplace marketing party may use communication messages to entice materialistic individuals into the impulsive purchase by instilling positive pride in possession of the kind of goods with the label "just for

you" to increase the materialistic mindset of consumers, which in turn will result in impulsive buying behavior. Shopee can also use marketing strategies by using creative ads that are attractive and have high prospects to produce excellent and profitable results.

The results of **H5** show that impulsive buying tendencies affect impulsive buying behavior. This indicates that someone with high impulsive buying tendencies is more likely to experience many impulses to buy impulsively and act more often on these impulses. Consumers with a high impulsive buying tendency have less purchasing control than customers who have a low impulsive buying tendency to carry out impulsive buying behavior. As a result, people who have a high trait in impulsive buying tendency have high impulsive buying behavior. The managerial implication of this research is that sellers in the online market can use a strategy of adding "extras" to their products that create value and direct consumers to stop considering their purchase and immediately make a purchase. To stimulate impulse buying in the target market, sellers in Shopee's online marketplace can make two items with very different price comparisons to stimulate impulsive buying behavior for the cheaper item. In addition, Shopee can add the option of sharing features to the buyer's social media after each purchase and provide testimonials to attract more customers.

Based on the demographic and usage analysis in chapter 4, it can be formulated managerial implications that can be useful from the results of this study. First, making customers aged 18 to 25 years a significant segment to formulate Shopee's online marketplace marketing strategy. The next step is to partner with influencers by asking them to showcase Shopee and promote special offers for their followers. In addition, online Shopee marketplaces can use digital marketing to get new users, explicitly targeting male users who like shopping activities. Shopee's online marketplace must expand to new areas outside Java with high user potential because most of the respondents are on Java.

Shopee can offer promos with high minimum purchases, prioritizing Shopee's special payment methods to increase shopping intensity (ShopeePay). The following strategy is to create a more comprehensive loyalty program and more considerable benefits, such as the ShopeePay cashback program. Shopee can conduct marketing campaigns close to the consumer's everyday user experience, such as hashtags where Shopee conveys that Shopee is a good partner. Implement Shopee marketing campaigns or support through social media such as Instagram, Facebook, Tiktok, and Youtube to increase engagement and awareness. Companies should conduct market research on respondents aged 40 years and over because online marketplaces are infrequent and users are few so that Shopee's online marketplace can expand its market

segment and collaborate with various marketing channels so that products are more accessible to the market. Online marketplaces can optimize websites/applications that are mobile-friendly and provide convenience. Shopee can also provide Shopee or ShopeePay push notifications to users who have not opened the application in the past month. Shopee can also increase the value of ShopeePay points and vouchers based on the number of tokens obtained from the transaction value. Shopee must ensure the convenience and quality of the application/website by openly accepting customer input and monitoring the types of products provided by competitors regularly.

### 5.2. Contribution

This research provides practical, scientific, and business-related benefits for business actors, useful for online marketplace producers, to determine the right strategy for their target market to do impulsive buying, to stimulate the emergence of these behaviors in consumers, and provide answers regarding factors influencing impulsive buying in the online marketplace. This research also contributes significantly to research in consumer behavior which is very important related to a deeper understanding of how exciting and important phenomena are impulse buying in the online marketplace in Indonesia.

### 5.3. Limitation and Suggestion for Further Research

Suggestions for further research is that further research can focus its research on impulsive buying in specific product categories to measure the level of impulsive buying on several products. In addition, this research can also be replicated and processed using other analytical methods. Because this study is dominated by a certain age group, future studies might employ quota sampling or purposive sampling approaches to get a more equal distribution of respondents in terms of local residence, income, and age.

## ACKNOWLEDGMENTS

Department of Business Management supported this work, Faculty of Creative Design and Digital Business, Institut Teknologi Sepuluh Nopember, Surabaya, Indonesia. (60111)

## REFERENCES

[1] Utami, Anisa. (2011). Analisis Strategi Promosi *Online* PT. Pusat Media Indonesia. Skripsi pada Fakultas Ekonomi dan Manajemen Institut Pertanian Bogor.

- [2] Setiawan, Budhi Yadi. (2007). *Konsumen Indonesia Sangat Sembrono*. Marketing. Jakarta. Hal 86.
- [3] Primadhyta. (2015). *Generasi Millennial RI Paling Impulsif Belanja Barang Mewah* Retrieved from <https://www.cnnindonesia.com/ekonomi/20151102182452-92-88999/generasi-millennial-ri-paling-impulsif-belanja-barang-mewah>
- [4] Karmali, N. (2007), "Meet Coke's next boss"? An interview with Muhtar Kent, CEO – Coca Cola, *Business India*, Dec 18
- [5] Khan, M. T., Humayun, A. A., & Sajjad, M. (2015). Factors affecting impulse buying and percentage of impulse buying in total purchasing. *International Journal of Information, Business and Management*, 7(1), 254
- [6] Djufri M. 2020. Penerapan Teknik Web Scraping Untuk Penggalan Potensi Pajak (Studi Kasus Pada *Online* Market Place Tokopedia, Shopee Dan Bukalapak). *Jurnal BPPK Volume 13 Nomor 2 Tahun 2020 Halaman 65-75*
- [7] iPrice.(2021). Retrieved from <https://iprice.co.id/insights/mapofecommerce/en/>
- [8] Floh, A., & Madlberger, M. (2013). The role of atmospheric cues in online impulse-buying behavior. *Electronic Commerce Research and Applications*, 12(6), 425–439.
- [9] McCrae, R. R., & Costa, P. T., Jr. (2008). The five-factor theory of personality. In O. P. John, R. W. Robins, & L. A. Pervin (Eds.), *Handbook of personality: Theory and research* (p. 159–181). The Guilford Press
- [10] Manning, Gerald L. and Barry L., and Reece. 2001. *Selling Today: Building Quality Partnerships*. New Jersey: Prentice-Hall
- [11] Larsen, Randy & Buss, David. (2005). *Personality Psychology: Domains of Knowledge about Human Nature*.
- [12] Madichie, Nnamdi. (2009). *Consumer Behavior: Buying, Having, and Being* (8th ed.). Upper Saddle River, NJ: Pearson Education 2009.
- [13] Zuckerman, Marvin & Kuhlman, David. (2001). Personality and Risk-Taking: Common Biosocial Factors. *Journal of personality*. 68. 999-1029
- [14] Feldman, R.S., 2010. *Essentials of Understanding Psychology*, McGraw-Hill, New York
- [15] John, O. P., & Srivastava, S. (1999). *The Big Five Trait Taxonomy: History, measurement, and*



- theoretical perspectives. In L. A. Pervin & O. P. John (Eds.), *Handbook of personality: Theory and research* (p. 102–138). Guilford Press
- [16] Hirsh, Jacob. (2010). Personality and Impulsive buying behavior. *Journal of Environmental Psychology*. 30. 245-248.
- [17] Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. *Online Readings in Psychology and Culture*, 2(1)
- [18] Dameyasani, A.W., Abraham, J., 2013. Impulsive buying, cultural values dimensions, and symbolic meaning of money: a study on college students in Indonesia's capital city and its surrounding. *Int. J. Res. Stud. Psychology*
- [19] Maram, Hari & Kongsompong, Kritika. (2021). The power of social influence: East-West Comparison on Purchasing Behavior.
- [20] Kacen, J. J., & Lee, J. A. (2002). The influence of culture on consumer impulsive buying behavior. *Journal of consumer psychology*, 12(2), 163-176
- [21] Chan, Kara & Zhang, Hongxia & Wang, Iris. (2006). Materialism among Adolescents in Urban China. *Young Consumers: Insight and Ideas for Responsible Marketers*. 7. 64-77
- [22] Dennis W. Rook, Robert J. Fisher, Normative Influences on Impulsive Buying Behavior, *Journal of Consumer Research*, Volume 22, Issue 3, December 1995, Pages 305–313
- [23] Stephen J. Hoch, George F. Loewenstein, Time-inconsistent Preferences and Consumer Self-Control, *Journal of Consumer Research*, Volume 17, Issue 4, March 1991, Pages 492–507
- [24] Hair, Joseph F., et al. *Multivariate Data Analysis: A Global Perspective*. 7th ed. Upper Saddle River: Prentice-Hall, 2009
- [25] Gosling, S.D., Rentfrow, P.J., Swann Jr, W.B. 2003. A very brief measure of the big-five personality domains. *J.Res. Pers.* 37(6), 504–528
- [26] Badgaiyan, A. J., & Verma, A. (2014). Intrinsic factors affecting Impulsive buying behavior—Evidence from India. *Journal of Retailing and Consumer Services*, 21(4), 537–549
- [27] Joung, H.-M. (2013). Materialism and clothing post-purchase behaviors. *Journal of Consumer Marketing*, 30(6)
- [28] Hair, J. F., Black, W. C., Babin, B. J., & Anderson, R. E. (2013). *Multivariate Data Analysis*.
- [29] Hair, Jr et.al. (2010). *Multivariate Data Analysis* (7th ed). United States: Pearson
- [30] Henseler, J., Ringle, C.M. and Sinkovics, R.R. (2009), "The use of partial least squares path modeling in international marketing", Sinkovics, R.R. and Ghauri, P.N. (Ed.) *New Challenges to International Marketing* (Advances in International Marketing, Vol. 20), Emerald Group Publishing Limited, Bingley, pp. 277-319